

WEST DUNBARTONSHIRE COUNCIL

Report by Director of Housing, Regeneration and Environmental Services

Planning Committee: 2 August 2006

Subject: Building Warrant Application Fee Income

1. Purpose

- 1.1** To seek the Committee's approval to introduce a robust system to check that the value of works associated with a building warrant application reflects normal market costs. An accurate estimate of the value of the works should result in an increase in fee income.

2. Background

- 2.1** One of the main functions of the Building Standards Section is to process applications for Building Warrants. Building Warrants are the permissions required to erect new buildings and alter or demolish existing buildings. A fee is payable with an application and is based on the value of the proposed works. Thus the higher the value of works the greater the fee paid to the Council. This fee scale is set in the Building (Fees) (Scotland) Regulations 2004.

3. Main Issues

- 3.1** It is probable that many applicants underestimate the value of their works and thereby submit a lower fee. In calculating the value of the works the applicant must use normal market costs rather than any discounted costs which they might be able to achieve. For example, even if labour was unpaid because it is a self build project, the value of the building work should still include fair assessment of the value of labour had commercial contractors undertaken the work. To correct these underestimates it is proposed to adopt costs set out in the "Building Costs Information Services" Surveys of Tender Prices. BCIS is a division of the Royal Institute of Chartered Surveyors. The practice of utilising the BCIS to check if the applicant's estimate is correct is endorsed by the Scottish Building Standards Agency in Section 3.13 of the Procedures Handbook and is increasingly used by Scottish Local Authorities.
- 3.2** Application forms for Building Warrants and guidance notes will be revised to include guidance on the proposed scheme with a view to addressing any concerns which might be raised by applicants.

4. Financial Implications

- 4.1** No costs are anticipated in adopting this checking mechanism. However the Building Standards Surveyor will be required to spend some additional time costing certain estimates declared on the application form then debating with or writing to the applicant to request the correct fee. However with the proper application of this system, it is possible that the fee income due to the Council for progressing building warrant applications will increase.

5. Personnel Issues

- 5.1** There are no personnel issues.

6. Conclusion

- 6.1** The use of the BCIS survey of tender prices would give a robust method of checking the accuracy of the estimated costs provided by the applicant and should enhance fee income.

7. Recommendation

- 7.1** **The Committee is invited to approve the Building Costs Information Services survey of tender prices as a means of assessing the accuracy of the value of works proposed in a Building Warrant application.**

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Director of Housing, Regeneration and Environmental Services

Date: 21 July 2006

Wards Affected: All

Appendix: Nil

Background Papers: None

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